

Chris Johnson
Lia Sophia Advisor

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To whom it may concern,

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as a Lia Sophia Advisor. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell Lia Sophia products.

I have been a Lia Sophia Advisor for more than 3 years. Originally, I became a Lia Sophia Advisor in my company because I felt the product is exceptional and I wanted to earn some additional income. With no formal education, I was always very limited to the job I could do and the income I could make. With Lia Sophia, I found my niche and am able to make a very respectable income and was able to quit my low paying "full time" job. I am supported solely through my direct selling business. My future is dependent on the stability of the direct selling industry, as is the future of many of my team mates.

Because I have a very limited understanding of the legal aspects of this proposal, one of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new advisors. Lia Sophia sales kit only costs \$99.00. People buy TVs, cars, and other items that cost much more and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the company or the compensation plan. I also think this seven-day waiting period is unnecessary, because in my opinion Lia Sophia is a risk free venture. Our kits contain more than \$400 in jewelry, plus all the supplies needed to start their business. We also have an "Unconditional Lifetime" guarantee for all of our jewelry purchased by any customer. I am excited to share this opportunity with others because it has changed my life and if they find it is not a good fit for them individually, they just stop placing orders and they are done. With your proposed waiting period requirement, I will need to keep very detailed records when I first speak to someone about Lia Sophia and will then need to send in many reports to my company headquarters.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless Lia Sophia is found guilty. Otherwise, Lia Sophia and I are put at an unfair advantage even though Lia Sophia has done **nothing** wrong. Lia Sophia is a forthright company with high ethics!

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. I know I get very annoyed when my name is given out. I

have a daughter that has suffered from identity theft and it is not an easy thing to fix once someone has taken advantage of your good name and credit. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Lia Sophia headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals.

Thank you for your time in considering my comments.

Respectfully,

Chris Johnson